

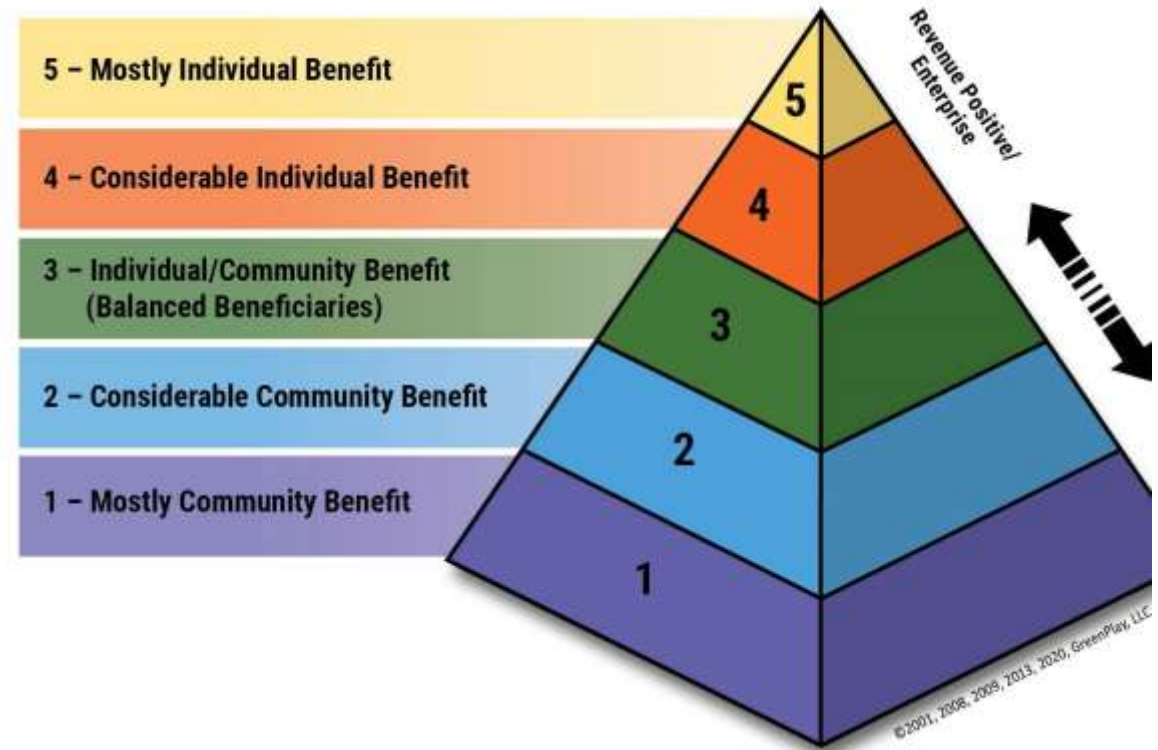
Developing a Cost Recovery Model





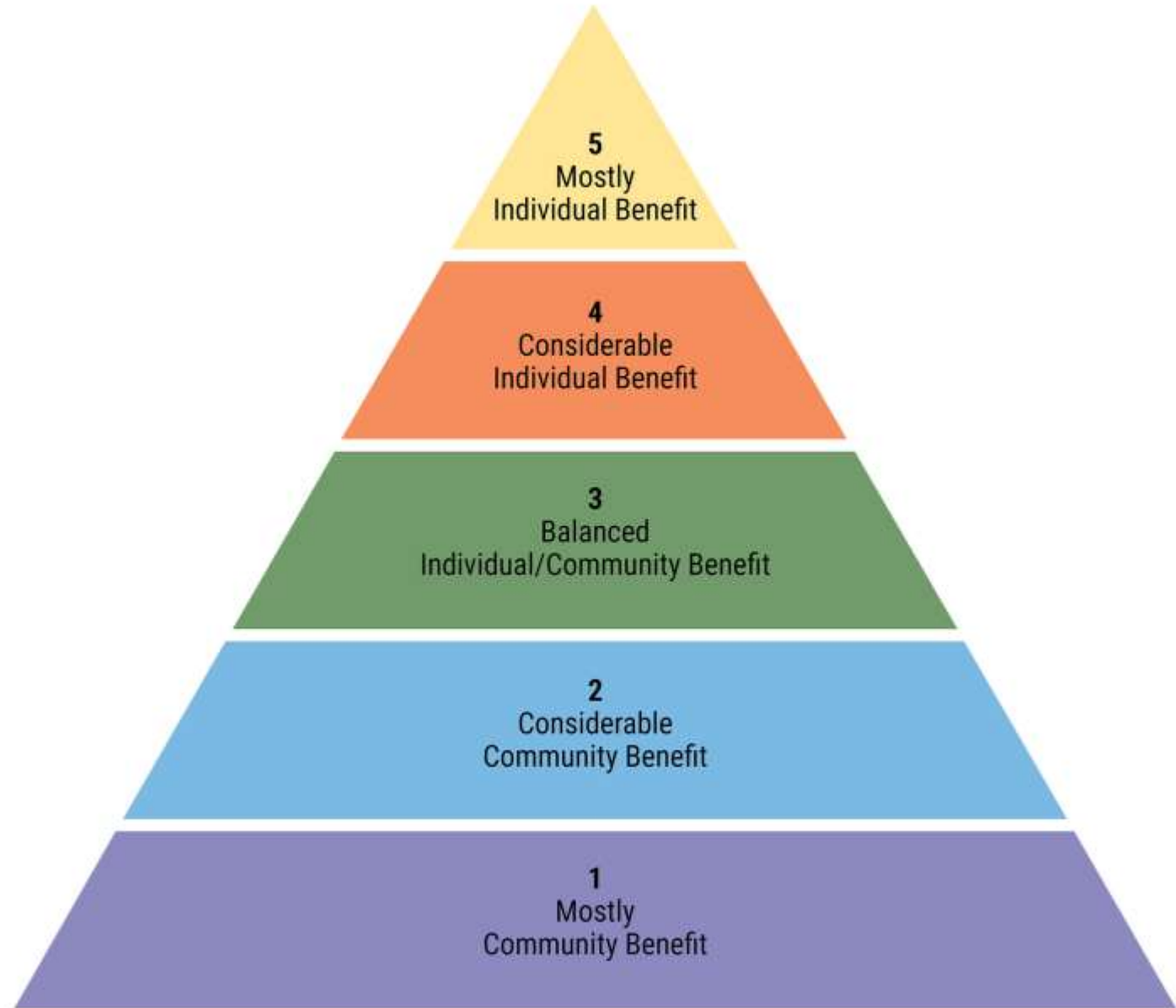
Introduction to the Pyramid Methodology

- Based on who benefits
- Basic level of service is free (supported by tax revenues)
- Fees are a responsible and necessary supplement
- The greater the individual benefit the higher cost recovery rate



Understanding the Benefits Filter

- Community benefit = tax dollars
- Individual benefit = fees
- The greater the individual benefit = higher cost recovery rate

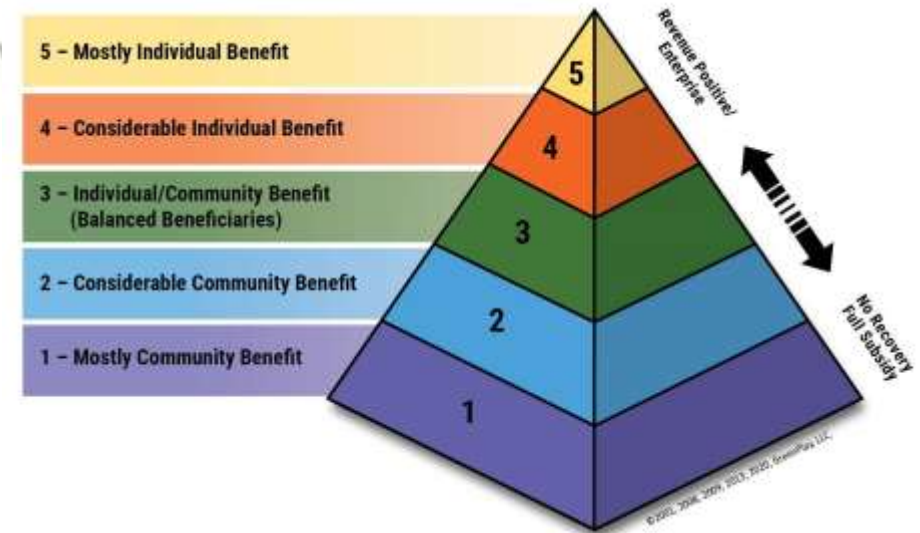


THE PYRAMID METHODOLOGY FOR RESOURCE ALLOCATION AND COST RECOVERY FOR PUBLIC PARKS AND RECREATION OPERATIONS



DEVELOPMENT OF CATEGORIES OF SERVICE
Starts right after Strategic Kickoff. Work continues between workshops. To be completed before Workshop #2A.

DEFINITION OF DIRECT & INDIRECT COSTS
→ APPLICATION METHODOLOGY → FINALIZE CALCULATION OF CURRENT COST RECOVERY
Starts right after Strategic Kickoff. Work continues between workshops. To be completed before Workshop #3.



Schedule and Next Steps

Workshop Series

SKO & Workshop One – January/February

- Orientation
- Understanding Current Conditions
- Category Development

Workshop Two – April

- Category Review and Sorting with Staff
- Category Sorting with the Public
- Pyramid Development
- Finalize approach to Cost-of-Service work

Workshop Three – May

- Review and discuss current Cost of Service
- Set Tier Targets (cost recovery goals)
- Identify challenges and recommendations



Thank you

